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March 5, 1981

STOCKHOLDER RESOLUTIONS SUPPORTED BY COUNCIL

GREENWICH, Conn. -- A resolution asking the Eastman Kodak company to form a "South African Operations Review Committee" sparked a brief debate in an otherwise quiet session of the Episcopal Church Executive Council.

Six resolutions regarding stockholder action were presented to Council during its Feb. 25-26 meeting at Seabury House here. All were instructions to the treasurer for voting the Church's holdings in the various companies on proposals filed by other stockholder groups.

The Kodak resolution asks that firm to evaluate its operations in South Africa against standards of affirmative action, opposition to apartheid, and possible tacit support of the racist regime through tax payments and equipment sales. The resolution was initiated by a group that includes the Episcopal Bishop Robert R. Spears of Rochester, headquarters of the firm.

Council member the Rev. Robert Wainwright of Rochester opposed the resolution, saying that a review committee existed and that the data called for was already available. He was joined in opposing the action by Joseph Hargrove of Shreveport, La., and others.

Wainwright argued that this was "unnecessary antagonism" of a company that had a high rating for conformity to the Sullivan principles which, for a decade, were seen as the canon of behavior for U.S. firms operating in South Africa.

Paul Neuhauser of Iowa pointed out that the action did not ask that the information be made available but that it be used by the firm itself in reviewing its activities. He noted that if the resolution was actually redundant, then the corporation could have won a ruling from the Securities and Exchange Commission eliminating it from consideration.

The Rev. Denis O'Pray of Minneapolis pressed for approval of the bill, claiming that to fail to do so would make the Church seem an ally of the Pretoria regime rather than of the majority population of South Africa.

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A Wainwright amendment to instruct the treasurer to abstain failed and the resolution was carried by voice with a number of dissenting votes recorded.

Two other resolutions were passed without debate but with some dissenting votes. The first of these asks the J. P. Morgan banking monolith to establish a policy of reporting and implementing affirmative action and equal employment guidelines. The second asks US Steel to issue impact statements on the effect of numerous plant closures in recent years.

They were the first stockholder resolutions presented at this meeting and the newly elected provincial representative from Province VII, the Rev. Donald Hungerford of Odessa, Tex., asserted that Council ought to hold shares only in firms with whose management policies it agreed.

John Cannon of Detroit replied that the philosophy of the Church was that it was better to remain in the corporate structure to provide a platform for eventual dialogue. He cited recent cases where such resolutions had led to conversations with a number of corporations and, increasingly, to policy changes.

In two other resolutions, Council voted to instruct the treasurer to abstain because proposed resolutions dealing with operations of Exxon and J. P. Morgan in Chile contained no procedure for testing improvements in human rights guarantees.

In a blanket resolution, the Council supported requests that seven firms issue regular reports on their activities in the Soviet Union and communist bloc countries with regard to size and value of investment, possible involvement in repressive practices and workers' rights.

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